

Date: September 22, 2015

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Subject: **CONTRACT WITH FOUNTAINWORKS, LLC TO PROVIDE PROFESSIONAL SERVICES IN SUPPORT OF THE JORDAN LAKE PARTNERSHIP**

Executive Summary:

In March 2008, the City Council adopted a Resolution Supporting Regional Partnerships for Water Supply Planning and the Establishment of a Western Water Intake on the B. Everett Jordan Reservoir. A memorandum of understanding (MOU) established a framework to accomplish regional water supply planning, develop mutually supported allocation requests to the state and plan for direct access to Jordan Lake for Durham and other entities. It further identified Durham as the lead agency for general activities regarding the Jordan Lake Regional Water Supply Partnership (JLP). The MOU, which currently has 13 signatories, also allows for Supplemental Articles to the MOU for specific projects/activities with participation by some or all of the partners in such activities. The memorandum provides and was recently extended through 2019. The successful collaborative efforts to date have been facilitated and supported by staff of Fountainworks, LLC.

These successful collaborative efforts include the award winning Triangle Regional Water Supply Plan and coordinated applications submitted through DENR/DWR to the Environmental Management Commission for Round 4 Jordan Lake Allocation requests. Fountainworks, LLC staff coordinated the various efforts leading to the development and signing of the MOUs and the development and adoption of six Supplemental Articles. They have convened and facilitated meetings, developed and delivered outreach and communications materials and provided a myriad of additional support services to the Partnership. Due to Fountainworks demonstrated expertise and their current familiarity with the goals of the Partnership, the members of the Jordan Lake Partnership have directed the City, serving as the contracting agent for the Partnership, to engage Fountainworks, LLC for further coordination and support to the Partnership. This support includes acting as a neutral party to facilitate collaborative activities, serving as a central clearinghouse for information and communication, organizing and supporting Partnership meetings and providing support and strategic advice on intergovernmental activities. Fountainworks participation in the Jordan Lake Partnership has been integral to its successful accomplishments to date.

Recommendation:

The administration recommends that the City Council:

- Authorize the City Manager to execute the service contract between Fountainworks, LLC and the City in the amount not to exceed \$120,000 on behalf of the Jordan Lake Partnership.

Background:

In March 2008, the City Council adopted a Resolution Supporting Regional Partnerships for Water Supply Planning and the Establishment of a Western Water Intake on the B. Everett Jordan Reservoir. Water Management staff, in conjunction with the City Manager's Office, met with representatives of regional utilities to develop next steps supporting the partnership. One outcome of these meetings was the development of a Memorandum of Understanding (MOU) which was approved by Durham City Council on February 16, 2009 and by other agencies between January and April 2009. The City committed to taking a leadership role in a partnership for regional water supply planning; to working expeditiously with its potential partners in the establishment of a western Jordan Lake water intake and possibly build an associated water treatment facility; and to proceed with the negotiation of such Interlocal Agreements that will establish the particulars of participation in such partnership. The Memorandum of Understanding was approved by Durham City Council at the February 16, 2009 Council meeting and was approved by 11 additional partnering jurisdictions: Towns of Apex, Cary, Hillsborough, Holly Springs, Morrisville and Pittsboro, Chatham County, Orange County, Wake County, Orange Water and Sewer Authority (OWASA), and the City of Raleigh. The City of Sanford joined the partnership subsequent to the initial signing. Currently, there are 13 signatories to the MOU which was extended by all parties through 2019.

As envisioned in the MOU, the Partnership developed the award winning Triangle Regional Water Supply Plan which served as the basis of individual –but coordinated - allocation application submitted to the NC Department of Environment and Natural Resources – Division of Water Resources (DENR/DWR) by a number of the partners. Additional projects have included Phase 1 and Phase 1 of the Interconnection Study. Through meetings coordinated and facilitated by Fountainworks staff, representatives of the signatory partners have met bi-monthly to move projects and activities forward. While at times dealing with politically sensitive issues, under the leadership of Fountainworks, JLP members have been open, honest, and respectful of others opinions and positions. Based on the initial success of the strategic collaboration and general support services provided by Fountainworks staff, the Partnership has selected Fountainworks, LLC to continue to facilitate the planning and regulatory process as prescribed by the Partners. The Partnership has directed the City of Durham, as the contracting agency, enter into a one year agreement with Fountainworks, LLC to continue to guide and facilitate the collaborative efforts of the JLP. The contract provides for two annual (one-year) renewals should the Partners direct Durham to pursue this option. This support includes continuing to:

- act as a neutral party in the collaborative activities
- serve as a central clearinghouse for information and communication for the partners
- organize and support partnership meetings
- provide strategic advice on intergovernmental activities
- coordinate and develop outreach and communications materials as necessary

Issues/Analysis:

All of the signatories of the Jordan Lake Partnership MOU have confidence in the ability of Fountainworks to guide and support the tenants of the Partnership. The Partnership has successfully completed a number of critical projects such as the Triangle Regional Water Supply Plan and submitting mutually supportive requests for allocations from Jordan Lake. Additionally, Fountainworks staff has developed strong relationships with NC Department of Environment and Natural Resources – Division of Water Resources staff which has proven to be extremely helpful in these efforts. Continuing this relationship with Fountainworks will expedite the ongoing collaborative efforts of the Jordan Lake Partnership.

Alternatives:

Alternative - Not approve the agreement. The City would have a difficult time finding sufficient expertise in the area capable of providing the support and facilitation services needed to carry out the planning and allocation request efforts in a timely manner, with the full support of the Jordan Lake Partners.

Financial Impacts:

The total one year project cost for facilitation and coordination of ongoing projects such as the multi-jurisdictional interconnection project and efforts regarding a shared intake on the west bank of Jordan Lake are not to exceed \$120,000 per year which spans two fiscal year. Costs for facilitation are paid out of annual partner membership fees for general activities. Durham is a Level 1 signatory to the MOU (connections >10,000; \$7,500 per year) and annual contributions are 13% of the partnership's general activities funding. As the contracting agent, the City will contract directly with Fountainworks, LLC and encumber funds in the Capital Improvements Program, with reimbursement from participating partners. There are currently funds available in the Jordan Lake Water Treatment Plant CIP Budget (4100P760/731004/P0610).

SDBE Summary:

This contract was not reviewed for compliance with the Ordinance to Promote Equal Opportunities in City Contracting.